



State of Arizona
Department of Education

CN #17-13
SFSP CN# 01-13
CACFP# 001-13
USDA: SP 01-2013 CACFP 01-2013 SFSP 01-2013

MEMORANDUM

To: National School Lunch Program (NSLP) Sponsors, Summer Food Services Program (SFSP) Sponsors, Child and Adult Care Food Program (CACFP) Sponsors

From: Mary Szafranski, Deputy Associate Superintendent
Arizona Department of Education, Health & Nutrition Services

Ellen Pimental, Director
Arizona Department of Education, School Foods Program

Original Signed

Date: October 15, 2012

RE: Federal Small Purchase Threshold Adjustment

The Financial Management Division of the United States Department of Agriculture issued a memorandum on September 11, 2012 stating the Federal Small Purchase Threshold has been increased as it relates to all Food and Nutrition Service (FNS) program procurements¹ under Federal grants. The simplified acquisition threshold has been raised to \$150,000; replacing the previous threshold of \$100,000. The change was made through statutorily required administrative action.

State and local agencies may use the simplified acquisition procedures for small purchases up to the threshold set by 41 U.S.C. 403(11), which is \$150,000. This increase will allow for more small purchase procurements to be conducted using relatively simple and informal methods for securing services, supplies, or other property [7 CFR §3016.36(d)] provided that each procurement, regardless of amount, is conducted in a manner that ensures free and open competition.

¹ As per policy memo CACFP# 009-08 and SFSP CN# 08-09 the small purchase threshold for CACFP and SFSP programs is linked to 41 U.S.C. 403(11). Consequently, the above small purchase threshold now applies to all FNS programs.

State and local agencies may set a lower small purchase threshold and thereby impose more restrictive procurement procedures as authorized by 7 CFR §3016.36(a), §3016.37(a), and §3016.60(a). Therefore, all State and local procurement requirements still apply.

Pursuant to Arizona Revised Statutes (A.R.S.) §15-213, the small purchase threshold for sealed bids and proposals is \$50,000. For purchases exceeding \$50,000, School Districts and non-exempt Charter Schools must follow the School District Procurement Rules, which are available on the Arizona Secretary of State's Web Site (www.azsos.gov/public_services/Title_07/7-02.html). The Rules are located in the Arizona Administrative Code in Title 7 Education, Chapter 2 State Board of Education, Articles 10 and 11, School District Procurement.

If you have additional questions or concerns regarding this memorandum, please contact Ellen Pimental at (602) 542-6208 or email her at Ellen.pimental@azed.gov.

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